As an employer, I have to pay a FICA tax on each of my employees (Medicare and Social Security), as well as a FIT tax, a state tax, and a local tax. (Yes, income matters when it comes to taxes, because you pay a percentage of your gross pay)

Medicare = 1.45% (additional .9% on wages over $200,00)

Social Security = 6.2%

Local = 8%

State = 3.07%

FIT = 10% on income under $9,000

Benefits for my employees are 25% off of any service they get done here at my salon, and we provide $26.00 for each employee towards medical insurance, each employee has a week of Vacation/Sick Leave per year, overall costing $2,544, as well as training pay at $20/hr. My employees get paid biweekly, and once a year is when I submit my tax reports to the government. The overall cost of having my small group of employees is $189,959.55.